Overview
This guide explains how Labor Commitments are calculated and offers suggestions for troubleshooting.

Labor Schedules
Whenever the data warehouse refreshes data, labor commitments are recalculated to ensure only future commitments are shown. Therefore, any given payroll showing up as an actual in the data warehouse will not also show as a commitment. A special calculation for payroll accruals assures that when actual balances and labor commitments are combined, nothing is double counted.

1. Payrolls included in labor commitments
   - Monthly
   - Weekly – with the exception of CAS and STH
   - Bi-Weekly
2. Payrolls excluded from labor commitments
   - Semi-Monthly
   - Pension
   - Weekly CAS and STH
3. Labor Commitments are calculated for “regular” recurring earnings elements. They are also calculated for any earnings element if that element is specifically flagged in the Oracle Application for inclusion in Labor Commitments. (See current list below.)
4. Labor commitments are only calculated for employees with active primary assignments that are processed in payrolls. This factors out any employees that are terminated with pay and those with suspended assignments.
5. Labor Commitments use the distribution schedules located in the Labor Distribution Module (LD). The labor schedules for commitments are refreshed nightly. Since multiple levels of labor schedules can exist in LD, labor commitments follow the same hierarchy as LD when identifying the correct schedule to use for commitment calculations. The hierarchy is as follows:
   Service & Maintenance:
   - Organization default account for the person’s home organization
   - Organization suspense account
   - Generic suspense account (institutional suspense account)
   All other employees use the normal hierarchy (see LD Procedures for more information):
     - Employee element level (if it exists)
     - Assignment level (if it exists)
     - Organization default labor schedule (if it exists)
     - Organization suspense account
     - Generic suspense account (institutional suspense account)
6. If an employee’s labor schedule percentages do not total to exactly 100%, the difference will be calculated as a commitment against the organization suspense account.
Elements

The following is a listing of the current elements that are flagged to calculate commitments.

Affiliated Hospital Prog  PDF Funded Health Care
Awards and Prizes       Post Doc Fellowships
Child Scholarship Taxable Regular Salary
Clinical Bonus          Regular Wages
CT On Going Shift       Research Assistant
FAS Chair Supplement    Retire Cont Replacement
FAS Faculty Education   Salary Recovery
FAS Faculty Mortgage    Salary Vacation Pay
FAS Faculty Special     Sign on bonus
FAS Second Assignment   Sr FAC Scholarly Leave
FAS Tutor              Summer Comp One Time
IEP Work               Summer Compensation
Jr FAC Morse Mellon Leave Summer Programs Pay
Masters Supplement     Teaching
On Going Extra Comp     Work Above Grade Level
One Time Extra Comp     YSM FAC Incntv
Payroll Earnings Adjust

*Commitments are always calculated for Regular Salary unless Normal Hours = 0. For Regular Wages, labor commitments are calculated using the employee’s standard working hours as they have been entered in HR. For all other elements, labor commitments are calculated using the employee’s element pay value. Fringe and burden are calculated automatically based on data from HR and OGM.

Calculation Dates

The labor commitment calculation period is determined as follows:

- The calculation start date is determined by the next payroll start date following the last payroll that has been posted to the GL. Example: If the last monthly payroll posted to the GL is 9/30/1999, then the commitment calculation start date will be 10/1/1999.

- The calculation end date for all types of funding, with the exception of sponsored awards, is determined by the lesser of the following dates:
  - Assignment end date
  - Element end date
  - Schedule end date
  - Current fiscal year end date (where current is calendar day, not the open period).
    Example: If the open period in is June 2000, but the commitments extract on July 10, the current fiscal year end date is determined by the fact we are extracting data in July 2000 (FY2001) NOT the open period of June 2000 (FY2000))
  - Commitments do not look at the installment end date until after the end of the current fiscal year and then ONLY if it is a sponsored award.
  - If the current installment ends before the end of the current fiscal year, but the labor schedule shows continuing distribution to the award, then detail commitments will always be calculated to at least the end of the current fiscal year.
Example: Current FY end date is 6/30/2001 AND Current installment end date is 5/31/2001 AND Assignment and element end dates are greater than the next fiscal year end date (6/30/2002)

Result: Commitments are calculated through the current fiscal year end date even though the installment ended earlier. The reason is because we do not check to see if it is a sponsored award until after commitments have been calculated through the end of the current fiscal year.

- The calculation end date if it is a Sponsored Award that goes past the current fiscal year end date is determined by the lesser of the following dates:
  - Assignment end date
  - Element end date
  - Schedule end date
  - Current installment end date
    - If there are multiple active installments for the award, it uses the maximum end date of the active installments as the end date for comparison

Special Note: If the Assignment end date, element end date, schedule end date and current installment end date are all 12/31/4712, then the next fiscal year end date is used for stopping commitments.
Example: Assignment end date is 12/31/4712 AND Element end date is 12/31/4712 AND Current Installment end date is 12/31/4712 Schedule end date is 12/31/4712 Result: Commitments are calculated through the end of the next fiscal year end date (if the current fiscal year end date is 6/30/2001, the next fiscal year end date would be 6/30/2002).

Troubleshooting

Labor Commitments calculations depend on the data that is entered and maintained in HR, Payroll and the Labor Distribution Module. The following are examples of situations that will cause labor commitments to be calculated incorrectly:

- Normal hours are not properly maintained in HR
- The supplementary earnings element was not entered in HR in advance of the start date of the supplementary compensation.
- A labor schedule for the supplementary earnings element was not created prior to the start date of the supplementary compensation
- Salary increases not entered into HR in a timely fashion. Commitment calculations for sponsored awards that cross fiscal periods will not reflect salary increases if they are not entered into HR.
- If the labor schedule percentage exceeds 100%, then a labor commitment for the negative difference will be created against the organization suspense account.

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